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AZ CORP COMMISSION DOCKET CONTROL

Attorneys for Arizona Public Service Company

## BEFORE THE ARIZONA CORPORATION COMMISSION

## **COMMISSIONERS**

DOUG LITTLE, Chairman BOB STUMP BOB BURNS TOM FORESE ANDY TOBIN Arizona Corporation Commission

DOCKETED

JUN 17 2016

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16 IN THE MATTER OF THE APPLICATION OF ARIZONA PUBLIC

17 SERVICE COMPANY FOR A HEARING TO DETERMINE THE FAIR VALUE OF

18 THE UTILITY PROPERTY OF THE COMPANY FOR RATEMAKING

PURPOSES, TO FIX A JUST AND

REASONABLE RATE OF RETURN THEREON, TO APPROVE RATE

SCHEDULES DESIGNED TO DEVELOP

21 SUCH RETURN.

DOCKET NO. E-01345A-16-0036

ARIZONA PUBLIC SERVICE COMPANY'S OPPOSITION TO ARIZONA UTILITY RATEPAYER ALLIANCE'S MOTION TO INTERVENE

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On June 14, 2016, the Arizona Utility Ratepayer Alliance filed a Motion to Intervene in the Company's pending rate case. AURA is neither a "Utility Ratepayer" of APS nor an "Alliance" of anyone other than Mr. Pat Quinn and his wife. It is true that

APS nor an "Alliance" of anyone other than Mr. Pat Quinn and his wife. It is true that trade organizations, with an identifiable membership and representing distinct, otherwise

unrepresented interests, have a role in Commission proceedings. But AURA does not

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fall into that category. Instead, AURA is a solar-funded lobbying organization. It does not have an identifiable membership, much less one that is directly or substantially affected by this proceeding. Further, AURA's participation in this matter is both redundant and almost certain to unduly expand the scope of the docket. APS therefore opposes AURA's intervention in this matter. At a minimum, AURA should be grouped with other intervenors having "substantially like interests and positions" into a class of interested persons under A.A.C. R14-3-105(C).

#### I. AURA IS A LOBBYING FIRM THAT LACKS THE REQUIRED "DIRECT AND SUBSTANTIAL" INTEREST IN THIS DOCKET.

To become an intervenor in a Commission proceeding, one must be directly and substantially affected by the proceedings. AURA cannot demonstrate (and has not demonstrated) sufficient facts to prove either prong. AURA itself does not claim to be directly impacted by these proceedings, and even AURA's stated interest does not fulfill the "direct and substantial" test.

AURA states that it advocates on behalf of "everyday Arizonans." But AURA does not actually represent "everyday Arizonans," or any identifiable membership. Instead, AURA simply claims to represent this generalized group of citizens. The reality is that AURA is funded by the Energy Foundation, a San Francisco-based organization that generally advocates for renewable energy and energy efficiency. And AURA. founded in 2015, is the trade name for Quinn & Associates, LLC.<sup>2</sup> Quinn & Associates consists only of Mr. Quinn, himself a registered lobbyist, and his wife. Mr. Quinn himself describes the sole function of Quinn & Associates as a "business and political consulting firm." Instead of actually representing everyday Arizonans, AURA appears

See Transcript, p. 2984:11-15, In the Matter of the Application of UNS Electric, Inc., Docket No. E-04204A-15-0142 (March 17, 2016) ("Q. To the best of your recollection, who funds AURA? A. [By Mr. Pat Quinn] Oh, who funds AURA? I thought you said the Foundation. Who funds - I get all my funding from The Energy Foundation."); see also Energy Foundation website, available at www.ef.org (stating that its mission is "to promote the transition to a sustainable energy future by advancing energy efficiency and renewable energy.").

See Trade Name Registration for Arizona Utility Ratepayer Alliance, attached as Exhibit A.

26 See A.R.S. §40-464.

to simply conflate the interests of everyday Arizonans with the mission of its funding source, and then bases its intervention on this conflation.

Moreover, even if AURA does represent the group it claims to represent, direct and substantial impacts to "everyday Arizonans" are not direct and substantial impacts to AURA. The type of generalized public representation that AURA invokes is unsupported by any rule or statute. Indeed, it takes a statute to authorize RUCO's representation of residential customers as a general group. AURA enjoys no such special legislatively granted right of intervention. Permitting a lobbyist to intervene by invoking the interests of the generalized public would render the phrase "direct and substantial interest" meaningless.

There is clear precedent for excluding organizations such as AURA. In Docket No. WS-03478A-12-0307, an entity having an actual monetary dispute with the utility was nonetheless denied intervention because the dispute was not related to the rate case and the entity was not a customer. In Docket No. W-01445A-06-0317, three potential competitors of a utility seeking to expand its CC&N were denied intervention because they had not actually filed competing CC&N applications, and thus their interest in opposing the application was deemed insufficiently direct and substantial. Similar holdings were made in Docket Nos. W-01445A-06-0199, *et al.*, and WS-02987A-04-0288. In each of the cited dockets above, the entities seeking intervention would have had better claims to having direct and substantial interests in the proceeding than that claimed by AURA.

<sup>&</sup>lt;sup>5</sup> See Procedural Order dated August 27, 2012.

<sup>&</sup>lt;sup>6</sup> See Procedural Order dated October 26, 2006.

<sup>&</sup>lt;sup>7</sup> See Procedural Order dated July 10, 2006 in Docket No. W-01445A-06-0199 and Procedural Order dated February 2, 2005 in Docket No. WS-02987A-04-0288.

## II. STAFF, RUCO, AND OTHERS ALREADY REPRESENT APS CUSTOMERS, AND AURA'S PARTICIPATION IS REDUNDANT.

Several individual customers have already intervened in this case, ranging from the very large (IO and Freeport) to individual residential customers. Moreover, RUCO is expected to intervene shortly and Sun City Home Owners' Association was just granted intervention. Other groups, representing specific and identifiable public interests, also regularly intervene in APS proceedings, including the Arizona Community Action Association (representing the interests of low-income customers) and Arizonans for Electric Choice and Competition (representing major industrial customers). And of course, the Commission's own Staff is charged with the even more solemn task of representing the public interest as a whole. In short, and contrary to AURA's contention that it is indispensable in representing the interests of consumers, there is no shortage of individuals and organizations, big and small, that can represent the very same consumer interests that AURA contends are its focus.

It is not just that AURA's participation is redundant, but also that AURA has a track record of seeking to unduly expand proceedings. For instance, in its rate case, UNS Electric agreed with Commission Staff on several items through its rebuttal testimony. This is a normal occurrence, and indeed, a positive and productive event that served to streamline the upcoming hearing. Nonetheless, in response to UNS Electric's effort to compromise with Staff in testimony, AURA filed a Motion to Extend Procedural Schedule, claiming that UNS had somehow completely changed its rate design proposal. Just three days later, however, Administrative Law Judge Rodda denied AURA's motion, stating that "[i]t is not unusual for utility to accept the recommendations of other parties in Rebuttal Testimony. AURA's Motion to Extend in the UNS rate case was contrary to Commission practice; would have set a bad precedent that discouraged compromise; and suggested a desire to delay proceedings

<sup>&</sup>lt;sup>8</sup> See Motion to Extend Procedural Schedule, In the Matter of the Application of UNS Electric, Inc., Docket No. E-04204A-15-0142 (January 26, 2016).

<sup>&</sup>lt;sup>9</sup> Procedural Order, In the Matter of the Application of UNS Electric, Inc., Docket No. E-04204A-15-0142 (January 29, 2016).

simply for the sake of delay. Because the same entity, headed by the same lobbyist and funded by the same solar industry group, seeks to intervene in this proceeding, APS has every reason to believe that AURA will similarly seek opportunities to undermine the procedural schedule and unduly expand the proceedings.

To the extent that the public interest would be served by hearing from AURA, there are numerous ways that AURA or its principal, Mr. Quinn, could participate in these proceedings short of permitting AURA to intervene. Mr. Quinn is an APS customer (a fact made public by an AURA witness in the UNS Electric rate hearing) and could intervene as an individual. In addition, AURA (and Mr. Quinn) could provide public comment in writing or orally, as permitted by the presiding Administrative Law Judge.

# III. IF PERMITTED TO INTERVENE, AURA SHOULD BE GROUPED WITH OTHER SIMILARLY-INTERESTED INTERVENORS.

To date, AURA has ardently advocated for solar vendor interests in Commission proceedings (including the UNS Electric rate case). This is consistent with the solar industry's funding of AURA through the Energy Foundation. However, AURA is just one of several solar interests that have been intervening in Commission proceedings, including the "Energy Freedom Coalition of America," "Vote Solar," and the "Arizona Solar Electric Industry Association." The positions taken by these groups have substantially (if not identically) overlapped, and the result has been overly redundant pleadings, testimony, and examination of witnesses. Proceedings have taken longer and required more resources from the Commission and its Staff.

To avoid this inefficient result and facilitate an orderly proceeding, AURA should be grouped into a class with other intervenors taking substantially similar positions. Rule 105(C) permits the grouping of intervenors with substantially like interests or positions into a class for purposes of the hearing. Consistent with all of its interventions and public statements to date, APS anticipates that if permitted to intervene, AURA's

position will be substantially like, if not identical to, the position taken by all other so-called "solar interests," which will include blindly opposing APS's proposal to modernize residential rate design. In the interest of efficiency, APS requests that if AURA is permitted to intervene, it be placed into a class of intervenors taking substantially like positions.

## IV. CONCLUSION

AURA does not meet the requirements of Rule 105 and its Motion to Intervene should be denied. AURA is not directly and substantially affected by APS's rate application. AURA's only claim in support of intervention is that it represents "everyday Arizonans." But nothing indicates that AURA represents the public, as opposed to the interests of its solar industry backers. And even if AURA did represent what amounts to the general public, doing so is an impermissible basis for intervention. Finally, as seen in other Commission proceedings, AURA will redundantly advocate for positions taken by the rooftop solar industry if permitted to intervene. In the alternative to denying AURA's Motion to Intervene, AURA should be grouped with this class of intervenors in the interest of promoting an efficient and orderly proceeding.

RESPECTFULLY SUBMITTED this 17th day of June 2016.

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Attorneys for Arizona Public Service Company

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7 8	COPY of the foregoing emailed / mailed this 17th day of June 2016, to:	
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# **EXHIBIT A**



# Arizona Secretary of State

### **Registered Name**

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#### Instructions

#### General Information

General information						
File ID	627644					
Description	Trade Name					
Status	Active					
Name	ARIZONA UTILITY RATEPAYER ALLIANCE					
Address 1	5521 E CHOLLA ST					
City	SCOTTSDALE					
State	AZ					
ZIP	85254-					
Phone	602-579-1934					
Business Type	ADVOCATE FOR UTILITY CUSTOMERS					
Domestic Begin Date	8/7/2015					
Registered Date	8/7/2015					

### Agent/Owner Information

Agent ID	Туре	Fullname	Address	City	State	ZIP	Phone
1376000	Owner	20	5521 E CHOLLA ST	SCOTTSDALE	AZ	85254-	602-579-1934

### Registration Information

Received	Amended	Assigned	Expiration	Cancelled	Revoked
8/7/2015			8/7/2020		

#### Correspondence History

Description	Date	Printed	Filmed	Loc. No.	Page No.	Pages
Application	8/7/2015	8/7/2015 1:54:47 PM				1

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